

The Driller's Digest

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This newsletter is published as a service to certified well contractors and others in the groundwater industry. Suggestions for articles for publication in the newsletter are welcome.

Reciprocity with Tennessee

by Joanne Rutkofske; WCC Staff

Luke Ewing of the Tennessee Department of Environment & Conservation approached the N.C. Well Contractors Certification Commission (WCCC) in June 2012, proposing reciprocity between the two states. In November 2012 the WCCC reviewed the request and, being favorable to the idea, made a decision to pursue the agreement. An agreement was then drafted by Drew Morgan (Commission staff) and sent to Tennessee for review.

Months went by as Tennessee went through internal reorganization. Anna Rollins was appointed to take Luke's place as chair of the Tennessee Board

of Groundwater Management, the group that handles licensing of well contractors in Tennessee. During this time emails and phone calls were exchanged confirming both parties willingness to proceed with the agreement.

Representatives from both states had a chance to meet in person at the NGWA Expo in Nashville, TN held December 2013. A few more minor adjustments were made to the agreement.

On June 12, 2014 the agreement was agreed upon and signed by Anna Rollins for Tennessee and by Chairman Casey Champion of the WCCC. The agreement took effect **July 1, 2014**.

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CE Requirement Reduced!

by Joanne Rutkofske; WCC Staff

House Bill 688 was signed into law May 29, 2014, becoming Session Law 2014-2. This legislation overrides our continuing education requirements, reducing the requirement to 2 CEUs per year and only for the first three years of certification.

If certification is maintained past the 3rd certification year, **continuing education is no longer required**.

Well contractors who change certification levels will not have the continuing education clock start over as long as there is no lapse in certification.

If there is a lapse in certification then when the individual gets re-certified, the three year continuing education clock starts over.

“Carry-over” of hours, exemptions for

military service and extensions for medical reasons were all eliminated when this legislation took effect. The statute states the hours must be earned “each year.”

All courses must still be pre-approved and will continue to be posted on www.wellcontractors.nc.gov.

You may find the legislative change on the “Rules” page of our website, under “General Statutes-(2),” G.S. 87-98.12.

The rulemaking process has begun to revise the Chapter 27 Well Contractor Certification Rules to conform to these General Statute changes. Information about the rulemaking process such as the proposed text and public hearing date(s) will be posted online at www.wellcontractors.nc.gov on the “Rules” page as the process moves forward.

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Summary of Civil Penalty Assessments

Penalties for violations of NCGS Chapter 87, Article 7 & 7A vary depending upon the particular facts and circumstances present in each case. Note: only finalized uncontested cases, or cases not seeking remission and at the collection stage, are included in this list. Payment of fines and corrections of violations may already have occurred.

There are no finalized civil penalties to report at this time.

- Drilling Units and Well Spacing;
- Permitting;
- Financial Assurance;
- Well Site Construction;
- Well Construction and Completion;
- Chemical Disclosure;
- Environmental Sampling-Baseline and Subsequent Sampling;
- Water Acquisition and Use;
- Waste Management;
- Reclamation; and
- Operation and Production.

Oil & Natural Gas Rules Update

By Walt Haven, P.G.; Oil & Gas Program Supervisor

North Carolina Session Law 2012-143 (S820), or the "Clean Energy and Economic Security Act," was ratified in July 2012. This law reconstituted the state Mining Commission as the N.C. Mining and Energy Commission (MEC), and charged the Commission with developing a modern regulatory program for the management of oil and gas exploration and development activities, including the use of horizontal drilling and hydraulic fracturing.

More specifically, the commission, in conjunction with the state Division of Energy, Mineral, and Land Resources (DEMLR), has been directed to establish a regulatory program that is "designed to protect public health and safety; protect public and private property; protect and conserve the state's air, water, and other natural resources; promote economic development and expand employment opportunities; and provide for the productive and efficient development of the state's oil and gas resources."

The draft Oil and Gas Conservation Rules (15A NCAC 05H) were developed by the commission and DEMLR to satisfy statutory requirements delineated in Session Law 2012-143, as well in the more recent Session Laws 2013-365 (S76) and 2014-4 (S786).

Scope of Rules

The proposed rules will address more than just "shale gas" or "fracking." 15A NCAC 05H will establish regulatory standards for oil and gas exploration and resource development as delineated below:

- Definitions;
- Administrative Rules;
- Exploration and Geophysical Surveys;

Public Comment and Rule Adoption

The MEC and DEMLR published the draft Oil and Gas Conservation Rules in the North Carolina Register on July 15, 2014 and requested public comment through Sept. 30, 2014. Public hearings were held on Aug. 20 (Raleigh), Aug. 22 (Sanford), Aug. 25 (Wentworth), and Sep. 12 (Cullowhee). After the public comment period closed, the commission and the division evaluated and responded to comments, and may adjust the proposed rules based on public input. Final adoption of the 15A NCAC 05H rules by the MEC and filing with the Rules Review Commission should occur before the close of calendar year 2014.

Future Rule and Research Development for 2015

After final legislative approval of 15A NCAC 05H, new rule development may occur. Additionally, MEC and DEMLR will proceed with research to address the following matters, as required in Session Laws 2013-365 and 2014-4:

- Compulsory Pooling and Dormant Mineral Statutes;
- Midstream Infrastructure; and
- Registration of Landmen.

("CE Requirement Reduced!", Continued from page 1)

Once the Chapter 27 rules are updated, the Commission plans to have staff print and mail a copy of the new Chapter 27 rule book to each certified well contractor. As always, the rules will continue to be available online as well.

If you have any questions on continuing education please feel free to contact Joanne Rutkofske at 919-707-5881.

("Reciprocity with Tennessee", Continued from page 1)

The reciprocity agreement allows a North Carolina certified well contractor to become licensed in Tennessee without having to take Tennessee's written and oral examinations.

A Tennessee licensed contractor may become certified as a well contractor in North Carolina without having to take North Carolina's written examination or field observation (if applying for level A).

The application forms for certification as a well contractor in North Carolina have been updated with the option for those using Tennessee reciprocity.

Please visit our website www.wellcontractors.nc.gov for a copy of the reciprocity agreement and other notes relating to using reciprocity with Tennessee.

Electrical Contracting License Change

by William "Al" Parris; State Board of Examiners of Electrical Contractors

The laws of our state require that before any person, firm or corporation is entitled to engage or offer to engage in the business of installing, maintaining, altering or repairing any electric work, wiring, devices, appliances, or equipment in North Carolina, such person, firm or corporation must first qualify and hold an electrical contracting license issued by N.C. State Board of Examiners of Electrical Contractors.

Senate Bill 734 became law on September 18, 2014 and eliminated the requirement for well contractors to possess an electrical contracting license for part of the wiring to a well pump.

The exact language from Senate Bill 734 is as follows:

GS 87-43.1. Exceptions. The provisions of this Article shall not apply:

(10) "To the installation, construction, maintenance, or repair of electrical wiring, devices, appliances, or equipment by a person certified as a well contractor under Article 7A of this Chapter when running electrical wires from the well pump to the pressure switch."

However, the laws of this state continue to require

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North Carolina Well Contractors Certification Commission

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Certification Today

Total number certified.....1101

Total number of applicants for certification.....54

Certifications currently suspended.....0

NC Division of Water Resources Water Quality Regional Operations Section

<http://portal.ncdenr.org/web/wq/aps>

Asheville 828-296-4500

Fayetteville 910-433-3300

Mooresville 704-663-1699

Raleigh 919-791-4200

Washington 252-946-6481

Wilmington 910-796-7215

Winston-Salem 336-771-5000



NC Department of Health and Human Services (DHHS)

**Division of Public Health
Environmental Health Section**

<http://www.deh.enr.state.nc.us>

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ADDRESS CORRECTION REQUESTED

Online at www.wellcontractors.nc.gov

("Changes to SP-WP Electrical Requirement"; Continued from page 3)

that any person, firm or corporation seeking to install, maintain, or repair wiring on the line side of a pressure switch for groundwater pump equipment, such person, firm or corporation must first qualify and hold an electrical contracting license issued by the N.C. State Board of Examiners of Electrical Contractors.

In addition, the partial exemption does not relieve the obligation to obtain an electrical permit from the local inspection jurisdictions, as required by GS 153A-357 or GS 160A-417 for wiring installations of well pumps. Electrical Permits are required for compliance and are an aid in public safety and liability protection.

Visit the electrical board website: www.ncbeec.org . The board encourages use of this site and provision of feedback to the board office. The e-mail address is info@ncbeec.org .

Because of the limited amount of wiring which can be done under the partial exemption above, many well contractors will still choose to take the qualify-

ing examination for a limited electrical contracting license. Please call 1-800-392-6102 to receive the necessary application packet or order online at the electrical board's book store at <http://www.ncbeec.org/shop/> . You may view a copy of the board's Electrical Contractors Examination Candidate Information Bulletin at: <http://www.ncbeec.org/wp-content/uploads/Web-2012PSIExamBulletin.pdf> .

If you should have questions concerning the electrical contracting licensing laws and the scope of such licenses, you should contact the N.C. State Board of Examiners of Electrical Contractors, P.O. Box 18727, Raleigh, North Carolina 27619-8727, Telephone (919) 733-9042 Ext. 203 or aparris@ncbeec.org .

Legislation Effecting Well Contractors This Year

S786 (Session Law 2014-4), Page 17, Section 16
-Oil & Gas Drilling Exemption

S734 (Session Law 2014-120), Page 29, Section 42
-Electrical Exemption for Well Contractors

H688 (Session Law 2014-2)
-Continuing Education Reduction/Elimination

Report Uncertified Well Contractors to the local health department or call (919) 707-5882